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SUBJECT: EPRT DIYALA: LACK OF NGO SUPPORT IMPEDES FURTHER PROGRESS  
IN SOUTH DIYALA

11. (U) This is an ePRT Diyala reporting cable.

Summary

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12. (SBU) Development at the Qa'da and Nahia level in South Diyala is being held up by lack of Non-Governmental Organization (NGO) support. Efforts by the South Diyala embedded Provincial Reconstruction Team (ePRT) have had a significant impact in improving local governance; however, further progress will require the assistance of programs targeting capacity building and economic development. These programs are implemented by NGOs with specific expertise not found at the ePRT. The continuing difficulty for NGOs - both USAID implementing partners and others - to operate in South Diyala due to the variable security situation has hindered progress in the areas of governance, economic development, and civil society. End Summary.

13. (SBU) Since our team's inception in October of 2007 the bulk of our activity has been in helping Qa'da and Nahia governments in South Diyala operate more effectively. Through a program of mentorship we have engaged with Qaim Maqams, Mudiarys (city managers), and councils in order to enable them to address their issues. As governance has improved, we have begun to shift more of our focus toward economic development.

14. (SBU) When we first began our work, local government in many areas was barely functioning. Security in South Diyala was such that many council members refused to attend meetings, or had fled the area entirely. Recent gains in security have enabled local governments to re-form, and the ePRT has assisted the process by mentoring key leaders, helping re-establish the lines of communication (LOCs) from the Mukhtars through the Nahia and Qa'da governments to the province. However, our ability to affect change is limited by the vast needs of local governments for capacity building, and the relatively small size of the ePRT. Our mentoring efforts are focused on a handful of local leaders - usually just the mayors and council chairmen - of our area.

15. (SBU) Likewise, our ability to affect economic growth is limited to one-off engagements with key business leaders. A broader and more and systematic approach is needed in order to continue progress and reinforce the gains that have been made. Specifically, South Diyala requires training programs for local government, economic development programs that address shortfalls in financing and technical assistance, and civil society programs that can provide support for nascent political organizations and communities seeking reconciliation or a greater voice in political affairs.

16. (SBU) There are NGOs operating in Iraq that already offer programs in these areas. The bulk of these are USAID implementing partners; however, there are other international and local groups as well. NGOs fled South Diyala during the fighting in 2007 and have been hesitant to return to the area citing security concerns. This was understandable based on the security situation in the past. However, today the security situation is increasingly permissive. Local governments are operational, local economies are flourishing, and internally displaced persons (IDPs) are returning to their homes. To solidify and expand on the gains achieved by the military

surge, it is imperative that we bring to bear the expertise of USAID implementing partners and other NGOs.

17. (SBU) There are several specific examples of USAID-funded projects that have been hindered by the security situation and with which we are working closely to expand their current focus to include South Diyala as security improves:

-- The Local Governance Project (LGP), implemented by Research Triangle Institute (RTI), provides training for local government officials principally at the governorate level, but also at the Qa'da and Nahia levels. This program has suffered loss of life, kidnapping and injuries to their staff in their efforts to support activities in Diyala. As a result, some training sessions are cancelled when the security situation is not permissive for staff to operate safely. Building governmental capacity at the local level is the most critical task of the ePRT, and we need to begin implementing a programmatic solution that can provide wholesale training to councils, mayors, and service managers rather than relying only on the ePRT's mentoring efforts of a few key leaders. RTI currently has training sessions scheduled from July 12 - 30, and in concert with our military counterparts, all parties are doing everything they can to support their efforts and ensure the training takes place. Recently, the RSO posted to the USAID compound in Baghdad cautioned that the security situation is still uncertain in Diyala, and would not advise the implementing partner to attempt any activities at this time. The LGP program will move forward with implementation in Diyala as soon as the security situation permits.

-- The Community Action Program II (CAP II), implemented in Diyala by ACDI/VOCA, has so far been hesitant to operate in South Diyala

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due to security concerns. CAP II is currently operating in the Kurdish-dominated Khainaqin and Kifri Qa'das, but has limited its activities to individual war victims' assistance under the Marla Ruzicka Iraqi War Victims Fund in the south. ACDI/VOCA did an assessment of Baqubah in February, but we have not seen any action on the ground. In its next iteration, there are plans for CAP III to include Baqubah Qada in the area of operations covered by the Baghdad CAP region. It is hoped that this will provide better access to the area for the CAP III implementing partner.

-- The Community Stabilization Program (CSP), implemented by IRD, has been operational in Baqubah since the fall 2007. This program is designed to operate in post-kinetic areas, but has been and continues to be, hindered by its security restrictions. For example, IRD expatriate personnel have not been allowed to go to Khan Bani Sa'ad due to the recommendation of the IRD security provider despite the fact that an ePRT officer lives at the Joint Combat Outpost (JCOP) for a week at a time. This delays the program, as the IRD expatriate personnel need to be in the area to hire local nations to implement CSP on the ground. Pending a change to the IRD security assessment, IRD has begun using local staff to begin the process of commencing operations in South Diyala. CSP continues to implement projects in and around the city of Baquba, which shows that they are able to adapt as the security situation improves. Likewise, everywhere IRD personnel travel they have to be escorted by their personal security detail. Despite the fact that IRD only moves in military convoys with PRT and ePRT officers when traveling to Khan Bani Sa'ad, they still require an extra level of protection per the terms of the contract with their security sub-contractor. While these security assessments are necessary before engaging in an area, they may slow the ability of CSP expat staff to move about the battle space and manage their programs.

-- Iraq Community-based Conflict Mitigation (ICCM), implemented by Relief International (RI), has completed assessments of four communities in Diyala and is currently analyzing the factors contributing to conflict in these locations. ICCM will proceed by identifying projects that will contribute to mitigation of these conflict factors. We have high hopes that this project will be able to conduct conflict mitigation in key areas of our operational environment.

¶8. (SBU) With elections looming, the ePRT would welcome greater engagement with groups such as the National Democratic Institute and the International Republican Institute headquartered in the KRG to provide our local partners with assistance for political party organizational and platform development skills training, voter registration, and get out the vote campaigns.

¶9. (SBU) As security improves, Iraqi NGOs have begun to resurface in the province. We are currently engaging three NGOs - The Happy Family Organization, The Beautiful Diyala Association, and Iraqi Women for Gender Equality - to assess how we can partner together. There has been a paucity of local NGOs in South Diyala, but the fact that they are starting to trickle back into the province is an indicator of the improving security situation in the province and should serve as an example to other NGOs.

¶10. (SBU) The most successful NGO in South Diyala has been the micro-finance institution al Thiqa. Al Thiqa has received funding from CPA and various USAID implementing mechanisms (Izdihar and QRF/IRAP). Additionally, technical assistance is provided through the USAID-funded Tijara program. They have returned to Baqubah after being forced to flee during last year's fighting and are now preparing to open an office in Jedida as well. As of the end of May, al Thiqa had disbursed 44 loans totaling \$107,400 in Baqubah. Al Thiqa is an Iraqi-run NGO, operating on its own without any visible support or connection to CF. This is precisely the kind of programmatic solution that South Diyala requires. Where Quick Reaction Funds (QRF), Commanders Emergency Response Program (CERP), and Iraqi CERP (ICERP) tend to be limited to unsustainable one-off engagements, NGOs like al Thiqa can offer long-term solutions that support sustainable economic activity. Additionally, the USAID-funded Tijara program Business Development Services team is closely working with ePRT South Diyala to establish a new Small Business Development Center to improve the capacity of the local business community.

Comment

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¶11. (SBU) The security situation today in South Diyala has improved considerably from last year. Important indicators of this improvement are that several NGOs are now operating in the area with great success. We are pushing hard to bring in more NGOs and will engage with them directly to show concrete evidence of the improved situation. Intermittent attacks in Baqubah show that there are still substantial risks to working in the area, but such incidents have at last become the exception rather than the norm. Until NGOs with the required development skills begin operations in South Diyala, we will not have the required resources we need to push our

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success to the next level. While we acknowledge that South Diyala is not a risk-free environment, the security situation has greatly improved over the last five or six months. Now is the time to take advantage of security gains that Coalition Forces have fought for and help bring greater stability to the region. End Comment.

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